

November 2005

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Recommended Citation

Shock, David R. (2005) "Research Note: Interest Groups and the Intergovernmental Implementation of Environmental Policy in Canada and the United States," *Journal of Political Science*: Vol. 33 : No. 1 , Article 6.

Available at: <https://digitalcommons.coastal.edu/jops/vol33/iss1/6>

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Research Note: Interest Groups and the Intergovernmental Implementation of Environmental Policy in Canada and the United States□

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This research note develops a conceptual framework based on insights and key findings in much of the literature describing the behaviors of interest groups during the intergovernmental implementation of environmental regulatory policies in two federal political systems, Canada and the United States. Two variables identified in the literature are used to construct the framework: the level of fragmentation in a political system, and the level of discretion possessed by subnational governments. Combining these factors identifies four categories of interest group activities, here termed bargaining, legislative lobbying, multiple institutional lobbying, and intergovernmental lobbying. The framework is intended to serve as a foundation for future studies of interest groups during the intergovernmental implementation of environmental policies in North America.

In Canada and the United States, interest groups are important political actors throughout the environmental policymaking process. Interest groups identify policy problems, formulate policy alternatives, lobby for the adoption of particular policy alternatives, influence policy implementation, and produce and interpret policy evaluations. Of special importance is the fact that

interest groups play a crucial role in both promoting and obstructing policy objectives during the implementation of public policies (e.g., Mazmanian and Sabatier 1981, 1989; Sabatier 1986; Hayes 1992; and Goggin *et al.* 1990). Drawing on relevant literature, I develop a conceptual framework that serves to organize our thinking about the behaviors of interest groups during the intergovernmental implementation of environmental regulatory policies in two federal political systems, Canada and the United States. The framework is intended to serve as a foundation for future studies of interest group activities during the intergovernmental implementation of environmental policies in North America. Understanding interest group policy implementation activities in Canada and the United States is important because both countries are currently implementing agreements to protect the North American environment, such as the Great Lakes Water Quality Agreement (GLWQA) of 1972.¹

Both Canada and the United States have federal political systems characterized by a constitutional division of power between a central government and subnational governments. While similarities exist between Canada and the United States, the political dynamics surrounding the adoption and implementation of environmental policy in these two countries are very different. In the United States, environmental policymaking is more centralized

¹ The GLWQA was signed by Canada and the United States in 1972 in response to pollution threats to the Great Lakes region. Both countries agreed to reduce the release of toxic substances, such as phosphorus, into the water and to promote environmental cleanup efforts. The international treaty was renewed and amended in 1978 and 1987. Implementation of the GLWQA in the United States is coordinated by the federal Environmental Protection Agency in close cooperation with state and local governments. In Canada, implementation efforts are led by Environment Canada, the federal environmental protection agency, in conjunction with provincial governments (most notably the Province of Ontario). A bi-national organization, the International Joint Commission, is responsible under the GLWQA for assessing and publicly reporting both nations' compliance with the provisions of the agreement.

in the national government than it is in Canada because of constitutional and other factors. The national Supremacy Clause of the U.S. Constitution authorizes the federal government to preempt state public policies and actions that are inconsistent with federal policy objectives, while the broad interpretation of the Commerce Clause permits the federal government to regulate state and local government actions affecting interstate commerce. In addition, the U.S. government's ownership of public lands and control of natural resources gives it direct jurisdiction over large areas of the country, including two-thirds of the western United States (Holland, 1996, 3).

While the national government in the United States is dominant in environmental policy, an important distinguishing aspect of Canadian federalism is the extent to which the provinces hold the reins of environmental policymaking. There are a number of reasons for this. First, Section 109 of the Constitution Act of 1867 grants the provinces, rather than the federal government, ownership of public lands and natural resources in Canada (Cairns, 1992, 55, 57-58). Second, the Canadian Constitution does not contain a national supremacy clause similar to the American version. As a result, the federal government in Canada lacks the constitutional authority to use coercive tools to force provincial compliance with national environmental objectives. Third, the federal government in Canada is limited in enacting environmental laws because the Canadian Supreme Court has interpreted narrowly the clause in the Canadian Constitution permitting the federal government to regulate interprovincial trade (Holland, 1996, 3). Finally, separatist forces in Quebec restrain the federal government in Ottawa from centralizing regulation of the environment.

PUBLIC POLICY FRAMEWORKS AND INTEREST GROUP ACTIVITY

During the post-World War II era, various scholars studied the relationship of interest groups to the public policy process in the United States. For instance, E. E. Schattschneider in *The Semisovereign People* (1960) argued that powerful interests seek to limit and control conflict in order to promote the enactment and maintenance of policies favoring a small minority in society. Later in time, Theodore Lowi, Ripley and Franklin, and James Q. Wilson all developed influential frameworks for understanding interest groups and the degree of conflict that occurs with different types of public policy. Lowi (1964) studied how interest groups react differently to distributive, regulatory, and redistributive policies. He found that policies that distribute benefits widely to the population generate less conflict among interest groups than regulatory policies that punish certain groups, such as polluters, and redistributive policies that reallocate societal resources from one group to another. Ripley and Franklin (1987) created a related typology of public policies that divided Lowi's regulatory policy classification into "competitive" and "protective regulatory" policy categories. According to Ripley and Franklin (1987, 24), competitive regulatory policies, such as the licensing of radio and television stations, "are aimed at limiting the provision of specific goods and services to only one or a few designated deliverers, who are chosen from a larger number of competing potential deliverers," while protective regulatory policies, such as environmental protection laws, "are designed to protect the public by setting the conditions under which various private activities can be undertaken." Conflict, bargaining, compromise, and shifting group coalitions characterize the relationships among the competing interest groups involved in protective regulatory policymaking (Ripley and Franklin 1987, 22-23, 143-144).

Another perspective was developed by James Q. Wilson (1973; 1980), who found that the activities of interest groups depend on whether the benefits and costs of a policy are concentrated or distributed. So-called "concentrated benefits" refers to a narrow distribution of policy benefits, such as subsidies to one or a small number of groups that clearly represent a minority in society, while "concentrated costs" refers to the distribution of the costs of a policy, such as through income taxes, to a small number of people or groups. On the other hand, "distributed benefits" refer to policy benefits flowing to large groups in society, such as the mortgage interest income tax deduction, while "distributed costs" refer to the policy being paid by most members of society, such as Social Security and Medicare taxes. Wilson (1980, 367-370) found that public policies that concentrate the costs of a policy tend to generate more group conflict than policies that force everyone to share the burden. Policies whose costs are widely distributed, but whose benefits are narrowly directed toward a particular group, such as farmers, often do not create significant conflict.

INTEREST GROUPS AND ENVIRONMENTAL POLICY IMPLEMENTATION IN THE U.S. AND CANADA

For some time, the activities of interest groups in policymaking in the United States were explained by the subgovernment ("iron triangles") model. This model held that public policymaking was the result of compromise and negotiation among a closed group of executive branch agency officials, interest groups, and members of legislative committees and subcommittees (Lowi, 1964; Ripley and Franklin, 1987). More recently, the closed subgovernment model has become outdated as an "advocacy explosion" occurred, which resulted in the breaking up of many closed iron triangles (Berry, 1997, 199-200). Heclo (1978) developed the "issue network" model of policymaking as an al-

ternative to the closed subgovernment model. The issue network model of policymaking held that in many different policy domains, the closed "iron triangles" of the past had been replaced with "issue networks" containing many participants and greater uncertainty. Notably, in the environmental policy domain, the rise of issue networks has led to more openness in environmental policymaking, as both environmental groups and business groups began to lobby government on environmental policies.

Since many federal regulatory policies, such as environmental protection laws, are implemented at the state and local government levels in the United States, an understanding of interest group activities at the subnational level is important. Marvel (1982, 28) conducted a study of state implementation of federal occupational safety regulations and found that "[s]tate implementors seem to be more susceptible to forces operative at the state and local levels than federal implementors." As a consequence, according to Marvel (1982, 28), the federal government is more likely to aggressively pursue violations than state-level implementers. In addition, Thompson (1981, 1147) analyzed the implementation of state Workmen's Compensation Laws and found that labor and business group strength in a state was very important in determining implementation outcomes. Furthermore, Thompson and Scicchitano (1985, 1986) found that the stronger labor unions were in a state, the more likely federal Occupational Safety and Health Act laws would be implemented effectively. Thompson and Scicchitano (1985, 686) note that bureaucratic agencies implementing protective regulatory policies "face an adversarial milieu" where groups targeted by the policy fight its implementation. Thompson and Scicchitano (1986, 177-179) found that the Occupational Safety and Health Administration was more aggressive toward the states during the 1970s than during the 1980s, which the authors attribute to the election of Ronald Reagan as U.S. President in 1980.

Also relevant is the case study done by Hayes (1992). He examined the adoption and intergovernmental implementation of the Federal Surface Mining Control and Reclamation Act of 1977, which brought surface mining under federal regulation for the first time. Coal industry interests lobbied to have enforcement of the policy conducted by the Interior Department through the states, while environmental groups preferred sole federal implementation of the Act through the EPA. In this case, Hayes (1992, 72-73) found that business interests have extensive influence on intergovernmental policy implementation because many states are heavily dependent on certain industries, such as coal and oil, for employment and development. States often avoid aggressive implementation of federal policies to avoid driving crucial industries to other states (Hayes 1992, 73).

With respect to Canada, the relevant literature indicates that a closed "elite accommodation" model, similar to the "iron triangle" model in the U.S., explains Canadian intergovernmental environmental policy implementation. According to Presthus (1973), the elite accommodation process in Canada is characterized as a closed system of consensual and cooperative policy-making, which results in a few interests dominating the political and policy processes. Building upon the work of Presthus, Pross (1975, 18-19) found that the elite accommodation model in Canada resulted from two factors: (1) "...that the policy process appears to operate principally through two relatively closed structures, the party system and the bureaucracy, both of which achieve an apex in the Cabinet," and (2) "the fact that the Canadian political system is based only to a limited extent on a pluralistic, competitive, approach to decision making."

In addition, Pierce *et al.* (1992, 24), in a study of interest groups in Ontario and Michigan, found that a greater centralization of power exists in the Province of Ontario than in the State of Michigan. In the Province of Ontario, a single governing po-

litical party controls both the executive and legislative activities of the provincial government, while in Michigan, authority for environmental policymaking is spread across the governor, legislative committees, an air quality commission, and the courts (Pierce *et al.* 1992, 24-25). Pierce found in interviews with interest group officials that environmental groups in Ontario tended to focus most of their efforts on contacting top-level officials in the ministries implementing environmental policies (167), while Michigan groups contacted a wide range of participants in all three branches of government and were much more likely to file lawsuits in the courts to affect implementation than were groups in Ontario (159-160).

Furthermore, Harrison (1996, 102) found that cooperative bargaining between regulating agencies and polluting industries "is the essence of the environmental regulatory process as it is practised [sic] in Canada;" according to him, "regulatory standards as well as schedules for individual polluters to come into compliance typically have been negotiated behind closed doors in a tripartite process involving federal and provincial officials and representatives of the polluting industry." This closed relationship prevents groups promoting environmentally friendly policies from having significant input during implementation negotiations.

As a result of provincial dominance of environmental policy implementation in Canada, dominant economic groups in different provinces potentially can veto attempts by provincial governments to adopt stricter environmental regulations. According to Skogstad (1996, 108-109), provinces are reluctant to enact environmental policies that threaten their largest and most important industries, such as the oil and gas industry in Alberta, the pulp and paper and hydroelectricity industries in Quebec, and the forestry industry in British Columbia. As a consequence of provincial dominance in environmental policy in Canada, important

economic interests in provinces generally prevail over national policy objectives (Skogstad 1996, 108). In the same vein, Rabe (1999, 290) states that "provinces clearly are reluctant in any way to alienate industries that might transfer investments to less-rigorous provinces. As one provincial official noted, 'the bottom line is not environmental protection here, but economic development.'"

A CONCEPTUAL FRAMEWORK

These accounts and findings suggest a framework for categorizing interest group behaviors during the intergovernmental implementation of environmental policy in Canada and the United States. The framework is illustrated in Table 1. Two important

TABLE 1
INTEREST GROUP ACTIVITIES DURING THE INTERGOVERNMENTAL
IMPLEMENTATION OF ENVIRONMENTAL POLICY

Level of Subnational Government Discretion	Level of Governmental Fragmentation	
	Low	High
Low	Legislative Lobbying (at the federal level)	Multiple Institutional Lobbying (at the federal level)
High	Bargaining	Intergovernmental Lobbying

factors emerge from the literature for explaining the behavior of interest groups during the subnational implementation of federal environmental policies. First, the literature indicates that the level of fragmentation in a political system is important. Fragmentation is high if groups have access to multiple political institutions and actors. Second, the literature indicates that the amount of discretion that subnational (i.e., state, provincial, and

local) governments possess during the intergovernmental implementation of federal environmental policies is important for understanding interest group activities during policy implementation.

Legislative Lobbying Activities. The framework indicates that legislative lobbying activities at the federal level are likely to be practiced by interest groups when both governmental fragmentation and subnational government discretion are minimal. In such a situation, interest groups can be expected to focus their implementation efforts on lobbying members of the federal legislature to rewrite provisions of law in order to directly benefit certain groups, or to increase the discretion of implementing agencies. Without additional discretion, subnational governments have little ability to assist groups during the implementation process. In addition, in a system with litter fragmentation, groups lack the ability to use the courts and other institutions to stop or obstruct implementation.

Bargaining Activities. When governmental fragmentation is low and subnational government discretion is high, the framework hypothesizes that interest groups will engage in bargaining activities primarily at the state/provincial level. This bargaining classification reflects the dominance of the elite accommodation model in Canada. Elite accommodation in Canadian environmental policy manifests itself through a closed, consensual, and cooperative negotiation process between provincial-level officials and economic interests with few access points for interest groups challenging the status quo. In Canada, fragmentation in environmental policymaking is minimized due to a number of reasons, such as provincial control of natural resources and the unified legislative-executive functions of the federal and provincial governments (Hoberg, 2002). In addition, in Canada, the provinces have significant discretion to adopt and implement environmental policies. As a result, provincial environmental

agencies can use their significant discretion on environmental policy concerns to benefit economically important provincial industries (Skogstad 1996; Rabe 1999).

Multiple Institutional Lobbying Activities. In a federal political system with high governmental fragmentation and low subnational government discretion, interest groups will find it in their interest to lobby many different political actors at the federal level to influence implementation. When state agency discretion is low, it is not worthwhile for an environmental group to focus significant efforts on a subnational agency with little discretion to write favorable rules. Rather, environmental interest groups are better served focusing their lobbying efforts on federal institutions, such as the EPA, the Congress, and the federal courts, to strike down or rewrite the procedures for implementation.

In the United States, interest group behavior during the intergovernmental implementation of federal environmental policies can fall into either the Multiple Institutional Lobbying or Intergovernmental Lobbying quadrants of the interest group behavior typology depending on the political situation in Washington, DC. Changes in presidential administrations and party control in Washington, DC affect the level of discretion granted to state and local government agencies to implement federal environmental policies. Democrats tend to favor federal agencies implementing environmental policies, while Republicans tend to allow the states more discretion to implement environmental policies. Interest group behavior generally falls into the Multiple Institutional Lobbying quadrant during Democratic presidential administrations because Democrats tend to distrust state governments more than Republican administrations with respect to environmental protection.

Intergovernmental Lobbying Activities. Interest group behavior in the United States generally falls into this category if state

governments are granted considerable discretion to implement federal environmental laws. The amount of discretion that state-level agencies possess is determined by politics in Washington. According to the Intergovernmental Lobbying category, if a high level of subnational discretion and a high degree of fragmentation exist in a federal political system, interest groups will have many access points of influence. If a group does not achieve its desired policy objectives with a state or provincial environmental agency, it can go to the state legislature, the federal EPA, the Congress, and the judiciary to affect implementation. Groups can lobby the Congress to revise legal requirements in ways that reduce state agency discretion during policy implementation. In addition, in the United States, environmental interest groups can file lawsuits to both stop and force implementation. The Intergovernmental Lobbying category resembles Hugh Heclo's (1978) "issue networks" model of policymaking, which is characterized by openness, numerous participants, and multiple access points of influence. The greater number and variety of access points that are available in the United States permit American environmental groups to participate in a wider range of activities to influence implementation outcomes than groups in Canada enjoy.

CONCLUSION

This research note develops a framework for categorizing interest group activities during the intergovernmental implementation of environmental regulatory policies in Canada and the United States to compliment the existing literature on the role of interest groups in the public policy process. Understanding the role of interest groups in Canada and the United States is important for assessing possible implementation hurdles and in predicting the future success of intergovernmental implementation efforts to protect the North American environment. The frame-

work developed in this research note provides a foundation for conducting future bi-national studies of the role of interest groups during the implementation of Canada-U.S. environmental agreements, such as the Great Lakes Water Quality Agreement.

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